

**REGULAR SESSION OF THE
BRIGHAM CITY COUNCIL
SEPTEMBER 16, 2010**

PRESENT:	Dennis Fife	Mayor
	Bruce Christensen	Councilmember
	Ruth Jensen	Councilmember
	Bob Marabella	Councilmember
	Tyler Vincent	Councilmember
ALSO PRESENT:	Dave Burnett	Public Power Director
	Mary Kate Christensen	City Recorder
	Paul Larsen	Economic Development Director
	Kristy Law	Recreation Manager
	Bruce Leonard	City Administrator
	Kirk Morgan	City Attorney
	Jason Roberts	Finance Director
	Paul Tittensor	Chief of Police
EXCUSED:	Scott Ericson	Councilmember

Mayor Fife called the meeting to order and excused Councilmember Ericson who was out of town on business. The Reverence Period was given by President Jim Fuller from the LDS Brigham South Stake. Councilmember Jensen led the Pledge of Allegiance. A motion to approve the minutes of August 19 and September 2, 2010 was made by Councilmember Vincent. The motion was seconded and carried.

**PUBLIC COMMENT
CONSENT**

Appointment to the Citizens Corps Council
Request for Approval of Resolutions Increasing Fees for Recreation Programs and Bowery Rental
New Hire, Library

SCHEDULED DELEGATION

Request to Conduct Historic Cemetery Tours
Request for Deferral of SID Payment in SID #20 and #22

NEW BUSINESS

Migration to 800 MHz Voice Radios

UNFINISHED BUSINESS

Request for Approval of Resolution Approving the Horse Butte Wind Project Power Sales Agreement
with Utah Associated Municipal Power Systems

OTHER BUSINESS

PUBLIC COMMENT

Councilmember Marabella expressed appreciation to City employees for all their work during Peach Days. They did a great job. At 10:00 on Saturday night downtown is a zoo, but by 10:00 a.m. on Sunday it was beautiful.

Councilmember Christensen expressed concern with the danger on Commerce Drive and 1100 South. Commerce Drive is a Brigham City street, and with a lot of vehicles going in and out to the two gas stations, he recommended a study be done. Councilmember Marabella suggested the speed limit be lowered on 1100 South. Councilmember Christensen suggested a cement barrier so when drivers turn the corner going west to get into Flying J, they would have to go further away from the intersection. Mayor Fife said maybe this could be included in the 1100 West traffic study.

There were no further comments from the public.

CONSENT

Appointment to the Citizens Corps Council

It was recommended Reese Jensen serve as Chair of the Citizens Corps Council.

Request for Approval of Resolutions Increasing Fees for Recreation Programs and Bowery Rental

It was recommended the resolutions be approved as discussed in the September 2, 2010 Council meeting.

New Hire, Library

Lisa Scott was recommended for hire as a part-time Library Clerk 1, Grade 24, effective September 20, 2010.

MOTION: A motion to approve the Consent Agenda was made by Councilmember Christensen, seconded by Councilmember Jensen and carried.

SCHEDULED DELEGATION *(Continued following Unfinished Business)*

Request to Conduct Historic Cemetery Tours

Ms. Janeal Rogers came forward and announced that the Heritage and Arts Advisory Board plans to do the cemetery tours again this year on October 9 and 16 from 10:00 to 2:00. Tours leave every hour on the hour. The tours focus on symbolism and the biographies of the people they decide to highlight. They get all their information from academic resources. They also teach proper and correct cemetery etiquette. Myer's Mortuary is sponsoring the tour this year by covering the cost of the brochure. Last year they had over 160 people participate. There were a few from out of state and quite a few from out of town. There is no charge. It is a walking tour and it takes about 45 minutes.

MOTION: A motion to support and authorize Historic Cemetery Tours was made by Councilmember Jensen, seconded by Councilmember Christensen and unanimously carried.

UNFINISHED BUSINESS

Request for Approval of Resolution Approving the Horse Butte Wind Project Power Sales Agreement with Utah Associated Municipal Power Systems

Councilmember Christensen said electricity is going to continue to increase in price and, unfortunately, the City only has one provider for the majority of our power. The City needs to be more diversified.

Councilmember Jensen stated that the UAMPS contract clearly shows that UAMPS, the banking institution, the company that will construct and maintain the facility, will be protected from liability and have exits if needed. However, the cities will not be protected. Services will have to be paid even if they are not rendered. If the City goes bankrupt it will still be held responsible for payment. If another City backs out, the other participating cities' payments can be increased up to 25% under the step-up provision.

Other concerns expressed by Councilmember Jensen were that the wind farm is in Idaho, so Brigham City money will be going to Idaho for 20 years. Wind energy only yields at an average of 30%. This means that Brigham City will pay 100% but only get 30% back. She agreed that there are problems with Rocky Mountain Power (RMP) and the City is subject to rates increasing, and there is concern with possible federal mandates that could require that the City acquire renewable energy by 2025. She agreed something needs to be done. She recommended investing a small portion in wind energy because 26 cities are in the contract and they cannot come up with 50 mgw between the 26 cities. She suggested working on other alternatives for renewable energy, such as resources in Brigham City and Utah. Part of the responsibility of councilmembers is to look to the future, not run into the future. She felt the City should keep as much money and as many jobs in the City and Utah and build a better, brighter future. She recommended only purchasing either one or three mgw versus five for now and look for other options.

Kirk Morgan agreed that with any contract there are inherent risks involved. The City would be entering into a 20-year power purchase agreement with 26 cities. The issue of a city going bankrupt and the other cities carrying the load is true up to 25%. He did not feel this was a larger risk than what is already stated in the

contract. There is risk with any investment. He did not feel this was any greater risk for the City than is necessary to improve the infrastructure. Having a contract with 26 cities is better than having a contract with 2-3 cities.

Mayor Fife also addressed the risk factor. Wind energy is not like a coal powered plant or nuclear plant. It is individual wind generation. One problem can shut down an entire coal plant, but one wind tower can go out and not shut down the entire thing. The liability is greatest during construction. This is when the City is liable for a share of the cost of construction. After that, the construction portion is bought out and the City is only obligated to purchase the power that has been contracted. He added that the 50 mgw is based on a study that has been going for seven years on the wind that is generated and what would be produced by the average wind over that period. There are indications that the cities will get the power predicted because of the studies they have done over an extensive period of time. Councilmember Jensen stated that in the contract there are clauses so if for some reason there was a year when there was not average wind speeds and Brigham City still pays, they do not have to give the City energy and they can make it up later if they want to. Mayor Fife said the City should get the average over the 20-year period.

Councilmember Christensen said there is no excess electricity anywhere in the nation. If one City is not able to purchase their power, he felt there will be a lot of cities that will want it.

Mr. Burnett felt that this a great opportunity to get the mandated renewables in the City's portfolio as well as the base load and possible renewable requirements in the future.

Councilmember Marabella stated the \$25 more now will get less and less as RMP increases their rates. He likes that the City has the ability to sell the power for a three-year period. This means that the City has three years to let the RMP gap get closer and closer from the \$25.

Councilmember Marabella felt that it is better that the towers are not going to be here. He would rather they be in Idaho than here where everyone has to look at them.

Councilmember Marabella recommended five mgw but thought the Council will probably be sorry more was not purchased. He agreed it is a risk, but the need for energy is not going to go away.

Councilmember Jensen said she is not against moving forward with renewable energy, but she felt the City should move forward more slowly. Wind power is trendy, but it is old and there are new things coming on. For example, new scale power. It uses natural circulation maximizing safe operations. This is a new technology that is being used in Washington and Oregon with success and reliability. It has a 90% return rate versus 30% with wind. Councilmember Christensen agreed that the City should look at all aspects. Once the Ruby Pipeline is installed, there will be an opportunity for gas fired energy. There will be a lot of options come along, but the City needs to move forward now and get in line or miss out.

MOTION: Councilmember Jensen made a motion to approve the resolution authorizing and improving the Horse Butte Wind Project power sales contract with UAMPS and joining with them at one mgw. The motion failed for lack of a second.

MOTION: Councilmember Marabella moved to approve the resolution for the Horse Butte Wind Project at five mgw. The motion was seconded by Councilmember Christensen. Councilmember Christensen, Councilmember Marabella and Councilmember Vincent voted aye. Councilmember Jensen voted nay. The motion carried 3-1.

SCHEDULED DELEGATION *(Continued)*

Request for Deferral of SID Payment in SID #20 and #22

Mr. Larsen came forward and introduced Tom Mannschreckv with Thomas Development, Ryan Armbruster an attorney representing Thomas Development and Craig Smith who works with the City on Utah RDA law issues. Thomas Development is interested in purchasing the old Intermountain property.

Mr. Larsen explained that this resolution defers certain SID improvements in SID #20. In order for this transaction to happen, Mr. Mannschreckv is asking that the SID payments be deferred, not waived. He has talked with Box Elder County regarding the property tax issue and received a one year deferral. Mayor Fife explained that normally property taxes are due by the seller at closing. However, these will be assumed by the buyer in this case.

Mr. Mannschreckv stated that the deferral is a capital issue. They have spent a lot of time and money on legal fees to go over the RDA documents. He added that they are not buying the property to turn around and sell it. If they can get a year's deferral, they will be able to demonstrate that they are doing things with the property. This is built into the agreement.

Councilmember Marabella asked why the seller doesn't pay the City all the SID payments that are due. Mr. Mannschreckv explained that they would rather use these resources to continue analyzing the environmental issues and start on the remediation and construction.

Mayor Fife asked why they felt they would be in a better position to pay the SID payments in a year. Mr. Mannschreckv replied that the development of the apartment community will free up enough capital from other sources to satisfy the obligation for both the SID payment and property taxes.

Mr. Larsen stated that the financing they are applying for has a deadline of October 1, 2010. One of the things they require is a letter of support from the community. He can draft a letter of support for the Mayor's signature, but there is not another Council meeting before that deadline. Mayor Fife suggested the Council authorize him to sign the letter.

MOTION: Councilmember Jensen made a motion to approve the resolution and agreement deferring certain payments in SID #20 and #22 and authorize the Mayor to sign a letter of support for the project. The motion was seconded by Councilmember Marabella and unanimously carried.

Councilmember Marabella made a motion to open the RDA meeting. The Council recessed to an RDA meeting at 8:17 and returned to a regular City Council meeting at 8:19 p.m.

NEW BUSINESS

Migration to 800 MHz Voice Radios

Chief Tittensor came forward and explained that in preparation for the Winter Olympics in 2000, law enforcement along the Wasatch Front looked for a communication system that would support this function. They decided on an 800 MHz system. Most of the cities in the State of Utah went with the system, primarily through government grants related to the Olympics. Box Elder County and a few other counties and cities did not because they were not directly impacted by the Olympics.

In addition, FCC required some changes in the radio systems by mandating some to a narrow band. The deadline for this is 2012. In preparation for that, Brigham City and Box Elder County purchased VHF radios in 2000-2001 which has the capacity for narrow band.

The 800 MHz radios have similar mandates from the government.

The City has a very good VHF system, but is losing a lot of power. Cache and Rich Counties have migrated to 800 MHz. This has made it so Box Elder County law enforcement cannot talk to these counties or Weber County.

Chief Tittensor and the Chief of Police in Tremonton made a presentation to the North Region Utah Homeland Security Executive Board. They authorized \$200,000 to purchase one hand-held radio for each law enforcement officer in Box Elder County. There will be some ongoing fees. There is a monthly user fee of \$23.75 per radio. This will be approximately \$7,000/year. There is \$4,500 in his budget for 800 MHz radios. He can get the remaining amount through his budget due to an officer resigning.

OTHER BUSINESS

Mayor Fife announced that the City did not receive the grant to continue the Youth Empowerment Team program. He and the Chief are working on some ideas to present to the Council. They will meet with the Personnel Committee first. He suggested that if the Council has any input they could present it to the Committee.

A motion to adjourn was made by Councilmember Jensen. The motion was seconded and carried unanimously. The meeting adjourned at 8:27 p.m.